



THE SAVVY CONSUMER COLUMN

The Savvy Consumer

Gary Cordell, Director, Tennessee Division of Consumer Affairs

FOR IMMEDIATE RELEASE

March 1, 2012

CONTACT: D. Christopher Garrett
or Shannon Ashford
615-741-6007

Beware of mortgage settlement scams

NASHVILLE, TN – Tennesseans should be cautious of scammers using the recently announced national mortgage settlement to prey on consumers to get their bank account information or charge a fee to help them qualify for relief.

Across the country, consumers have been contacted by con artists claiming to have a list of the consumers who are eligible and qualify to receive money from the recent multistate mortgage settlement. The caller, who reportedly poses as a bank employee or as a third-party settlement administrator, asks for the consumer's bank account number, claiming that the caller can deposit money from the settlement directly into the consumer's account.

"It is important for consumers to know that they should never share their personal financial information with anyone they don't know who calls or emails them asking for this information," Commerce and Insurance's Consumer Affairs Director Gary Cordell said.

Tennessee consumers eligible for direct relief from the mortgage settlement will be contacted by their mortgage servicer or the settlement administrator in coming months. The companies and people involved in this settlement will never call asking for a borrowers' bank account number or credit card number.

So far, Consumer Affairs has not heard from any Tennesseans who have been targets of this fraud, but Cordell warns consumers to be on their guard. "Always use common sense and caution when someone you don't know asks for your personal financial information," he added.

Internet ads or scam telemarketers may also offer, for a fee, to help borrowers obtain loan modifications through the national mortgage settlement. Charging consumers upfront fees for loan modification services is unlawful under the Tennessee Consumer Protection Act.

"Tennessee consumers should not pay anyone to receive assistance with loan modification or refinancing programs," Cordell said. "Free certified foreclosure prevention counselors are

-more-

available to any Tennessee homeowner who is having mortgage problems. A list of counselors available across the state may be found at www.KeepMyTNHome.org.”

Consumers who have been contacted by someone seeking to obtain bank account information in connection with the multistate mortgage settlement may file a consumer complaint with the Tennessee Division of Consumer Affairs at <http://www.tn.gov/consumer/complaint.shtml> or by calling toll-free 800-342-8385.

Consumers may contact their mortgage servicer directly at the following numbers to obtain more information about available loan modification programs related to the settlement:

Bank of America: 877-488-7814

J.P. Morgan Chase: 866-372-6901

Citi: 866-272-4749

GMAC/Ally Financial: 800-766-4622

Wells Fargo: 800-288-3212

For more information about this settlement or Tennessee housing assistance programs, please visit www.KeepMyTNHome.org.

Consumer Affairs (www.tn.gov/consumer/) is a division of the Department of Commerce and Insurance (www.tn.gov/commerce/), which works to protect consumers while ensuring fair competition for industries and professionals who do business in Tennessee. www.tn.gov/commerce/, [@TNCommerceInsur](https://twitter.com/TNCommerceInsur) (Twitter), <http://on.fb.me/uFQwUZ> (Facebook), <http://bit.ly/ry1GyX> (YouTube)

###